

ODP-0-1097
SAF-E409-80

12 August 1980

R
1 C 24/14
2 DC
EX
SA
C/REB
RO
C/FEEngB
PE
C/HEB
PE
FILE

MEMORANDUM FOR: Chief, Real Estate and Construction Division/OL

STATINTL FROM

: [REDACTED]
Director, Consolidated SAFE Project Office/ODP

SUBJECT : Funding for Phase I Construction of the SAFE
Computer Center

1 4 AUG 1980

1. PURPOSE - Paragraph 3 requests that excess FY-80 funds transferred by the CSPO to OL and GSA for Phase I construction of the SAFE Computer Center be returned to CSPO.

2. BACKGROUND - Based on OL estimates, \$1,543,600 was transferred to OL and GSA for construction of Phase I of the SAFE Computer Center. We have been advised that as a result of proposal selection, there are now excess funds obligated ranging between \$415,000 and \$460,000. Depending on the level of GSA's management and inspection fees. We were also advised that there are two options available for these funds: (a) If they are not returned they will be applied to Phase II construction of the Computer Center in FY-82 or (b) approximately \$250,000 of the excess funds can be returned. It is our understanding that Option b indicates GSA's intent to withhold an additional 35 percent of the excess funds as a contingency in lieu of the normal 7 percent for contingencies. GSA's intention is attributed to past difficulties construction firms have experienced with the Agency in obtaining adequate administrative support, such as security escorts. Neither of these options are acceptable to the CSPO.

3. Because there is a need for the funds in FY-80 to partially alleviate a SAFE funding problem in FY-81, it is requested that immediate action be initiated to recover the excess funds in FY-80. The normal 7 percent contingency funds applicable will of course be retained by GSA.

[REDACTED]

STATINTL

OL 0 3737